



Department of Medical Assistance Services  
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# MEDICAID MEMO

TO: All Providers and Managed Care Organizations (MCOs)  
participating in the Virginia Medical Assistance Program

FROM: Patrick W. Finnerty, Director  
Department of Medical Assistance Services (DMAS)

MEMO Special  
DATE 1/12/2006

SUBJECT: Changes to Processing of Medicare "Crossover" Claims - Addendum

In a December 2005 Medicaid Memo ("[Upcoming Changes to the Processing of Medicare 'Crossover' Claims](#)"), DMAS announced it was implementing the consolidation of the Virginia Medicare crossover claims process as required by the Centers for Medicare and Medicaid Services (CMS). As a result of this consolidated crossover process, referred to as the Coordination of Benefits Agreement (COBA), CMS is transferring the claims crossover functions from individual Medicare contractors to one national claims crossover contractor.

Virginia Medicaid will begin participating in the COBA crossover consolidation after January 23, 2006.

When crossover claims are processed by Medicaid, DMAS must be able to match a Virginia Medicare vendor number to a valid Virginia Medicaid provider number to pay the claim. A Virginia Medicare vendor number can only be associated with **one** Virginia Medicaid provider number. For the crossover process to work correctly, the Virginia Medicare vendor number on the Virginia Medicare claim **must** be associated with the correct Virginia Medicaid provider number.

In its continued testing of the COBA process, DMAS has determined that, with the change in processors and claim formats (the 837 claims format is now being used, replacing the old National Standard Format), DMAS is receiving different Virginia Medicare vendor numbers from the COBA processor than received previously from the carriers and intermediaries. Specifically, DMAS is being sent only true Virginia Medicare vendor numbers and not the variations that have been furnished in the past. This makes it difficult to determine the correct Virginia Medicaid provider number to be used and could result in the claim being adjudicated for the wrong provider.

### **INCLUDE VIRGINIA MEDICAID ID ON VIRGINIA MEDICARE CLAIMS**

To make it easier to match to their Virginia Medicaid provider record, providers should begin including their Virginia Medicaid ID as a secondary identifier on the claims sent to Virginia Medicare. When a crossover claim includes a Virginia Medicaid ID, the claim will be processed by DMAS using the Virginia Medicaid number rather the Virginia Medicare vendor number. This will ensure the appropriate Virginia Medicaid provider is reimbursed.

When providers send electronic claims in the 837 format, they should instruct their processors to include the Virginia Medicaid provider number and use qualifier “1D” in the appropriate reference (REF) segment for provider secondary identification on claims.

Providing the Virginia Medicaid ID on the original claim to Virginia Medicare will reduce the need for submitting follow-up paper claims.

### **SPECIAL DMAS EMAIL ADDRESS FOR CROSSOVER QUESTIONS & ISSUES**

DMAS has established a special email address for providers to submit questions and issues related to the Virginia Medicare crossover process. Please send any questions or problems to the following email address: [Medicare.Crossover@dmass.virginia.gov](mailto:Medicare.Crossover@dmass.virginia.gov)